ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 512

At the request of Mr. DORGAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 512, a bill to foster innovation and technological advancement in the development of the Internet and electronic commerce, and to assist the States in simplifying their sales and use taxes.

S. 534

At the request of Mr. CAMPBELL, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 534, a bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as ''mad cow disease'') and foot-and-mouth disease in the United States.

S. 543

At the request of Mr. WELLSTONE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 548

At the request of Mr. HARKIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. 550

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 550, a bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas.

S. RES. 44

At the request of Mr. COCHRAN, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. Res. 44, a resolution designating each of March 2001, and March 2002, as ''Arts Education Month.''

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. MCCAIN, Mrs. FEINSTEIN, Mr. JEFFORDS, Mr. WELLSTONE, Mrs. MURRAY, Mr. KENNEDY, Ms. COLLINS, Mr. SPECTER, Mr. SCHUMER, and Mrs. CLINTON):

S. 582. A bill to amend titles XIX and XXI of the Social Security Act to provide States with the option to cover certain legal immigrants under the Medicaid and State children's health insurance program; to the Committee on Finance.

Mr. GRAHAM. Mr. President, I rise today on behalf of Senators CHAFEE, MCCAIN, FEINSTEIN, JEFFORDS, WELLSTONE, MURRAY, KENNEDY, COLLINS, SPECTER, SCHUMER, CLINTON, and myself to introduce the Immigrant Children's Health Improvement Act of 2001.

This bill will give States the option to provide Medicaid and CHIP coverage to immigrant children and pregnant women who arrived legally in this country after August 22, 1996. That is the date Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act—commonly known as welfare reform.

The goal of that legislation was to encourage self-sufficiency in adults. But it also affected children, including immigrants, citizens, and those not yet born. The legislation cut off government-supported health care for all legal immigrants, regardless of their ages or circumstances.

Census data released last week offered good news on the number of uninsured people in America. The data shows that the number of Americans without health insurance fell from 44.3 million to 42.6 million in 1999. This is the first decline since 1987. But the news is not good for everyone who works hard in this country, who plays by the rules, who tries to build a better life for themselves and their families.

What was not in the headlines is the fact that the proportion of immigrant children who are uninsured remains extremely high.

A new report by the Urban Institute shows that in the last year, nearly half of low-income immigrant children in America had no health-insurance coverage. In my State of Florida, that ratio is nearly three to one. This is just one of many reports that show that in our zeal to discourage dependency in adults, we unintentionally punished children.

A study by the Center on Budget and Policy Priorities finds that the percentage of low-income immigrant children in publicly-funded coverage—which was low even before welfare reform—has fallen substantially.

Florida is home to more than half a million uninsured children, many of whom are in this country legally or are citizens whose immigrant parents are ineligible for coverage and so think their children are similarly barred.

Under this bill, States have the option of taking steps to change that by eliminating the arbitrary designation of August 22, 1996, as a cutoff date for allowing children to get health care. Giving States the option of providing this coverage to legal immigrant children and pregnant women would cover more than 200,000 people a year. States have asked for this option. Many are already trying to provide coverage but can't make up the holes in their budget.

In their 2001 Winter Policy Report, the National Governors' Association endorsed this commonsense policy proposal. The National Council of State Legislators has also endorsed this bill. More than 200 respected public-interest groups including Catholic Charities, the National Council of La Raza, the National Association of Public Hospitals, the National Immigration Law Center, the Children's Defense Fund, and the American Academy of Pediatrics have all joined together in support of the bill. Beginning today and for months to come, these organizations will be holding events to rally behind this and other legislation that supports the goal of providing healthy solutions for hard-working American families.

Under this umbrella, Senators KENNEDY and JEFFORDS will be introducing legislation to restore food stamps to legal immigrants and Representatives LEVIN and MORELLA will be introducing a bill to protect immigrant women from domestic violence.

Passage of the Immigrant Children's Health Improvement Act is an important step in revisiting the welfare reform legislation.

What we now realize, years after passing that landmark law, is that legal immigrant children are, as much as citizen children, the next generation of Americans. Providing Medicaid and CHIP to legal immigrant children is critical in order to guarantee that generation can be healthy and productive members of their adopted country.

We call upon Congress and the President to act this year and pass this important bill.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. LEAHY, Mr. JEFFORDS, Mr. GRAHAM, Mr. CHAFEE, and Mrs. CLINTON):

S. 583. A bill to amend the Food Stamp Act of 1977 to improve nutrition assistance for working families and the elderly, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. KENNEDY. Mr. President, today Senator SPECTER, Senator LEAHY, Senator JEFFORDS, Senator GRAHAM, Senator CHAFEE, and I introduce the bipartisan ''Nutrition Assistance for Working Families and Seniors Act.'' Our goal is to repair specific holes that time has worn in the nation's core nutrition safety net—the Food Stamp Program.

Hunger is a silent crisis affecting families all across America. No corner of our land is immune from this tragedy.

The Nation can well afford to ensure that the average food stamp benefit of

79 cents per meal is available to everyone who truly needs it. In a time of economic prosperity, the moral imperative to feed the hungry may be clearest. But in a time of economic uncertainty, the need to feed the hungry should be clearest.

The bottom line is that too many working families and seniors in America have trouble putting enough food on the table. On February 26, 2001, the New York Times included a compelling account of the difficulties faced by the Payne family from Cleveland, Ohio. Mrs. Payne states that ''it's difficult to work at a grocery store all day, looking at all the food I can't buy, so I imagine filling up my cart with one of those big orders and bringing home enough food for all my kids.'' She and her husband, a factory worker, routinely go without dinner to be sure that their four children have enough to eat. The Payne family was among thousands of working families that have recently turned to emergency food pantries and soup kitchens in search of help. The Payne family did not know that they were eligible for food stamps.

Nationwide, participation in the Food Stamp Program has declined 34 percent since 1996, four times faster than the decline in the poverty rate. This means that over 2 million fewer people who live in poverty are accessing food stamps today. Over a quarter of the reduction in food stamp participation between 1994 and 1998 resulted from welfae reform and its elimination of food stamp eligibility for legal immigrants, both by directly rendering legal immigrants ineligible for food stamps, and by discouraging their U.S. citizen children from accessing food stamps.

The results are predictable. The U.S. Department of Agriculture determined that 4.9 million adults and 2.6 million children lived in households that experienced hunger during 1999. The Urban Institute finds that 33 percent of former welfare recipients have to skip or cut meals due to lack of food.

The most vulnerable people among us—recent immigrants, children, and the elderly—are the ones who face the greatest difficulty. Republicans and Democrats agree that we need to work together in good faith to deliver senior citizens from having to choose between heating and eating, and from having to choose between paying for their prescription drugs or for their groceries. There is also widespread agreement that more must be done to end childhood hunger. A July 1999 General Accounting Office study concludes, ''Children's participation in the Food Stamp Program has dropped more sharply than the number of children living in poverty, indicating a growing gap between need and assistance.''

Sadly, the enormity of this crisis is confirmed by a major study released today by the Urban Institute's National Survey of America's Families, which focuses upon the impact that welfare reform has had on the children of immigrants. The report finds that 80 percent of the children of immigrants are United States citizens, but the immigrant status of parents prevents these citizen children from receiving the aid they need. According to the Urban Institute, 24 percent of children of immigrants live in poverty compared to 16 percent of children of citizens, and 37 percent of children of immigrants live in households that have difficulty putting enough food on the table each month, compared to 27 percent of children of citizens.

The report also shows that access to public benefits makes a difference for immigrant families. Largely because Massachusetts pays to provide food stamps to all legal immigrants, food insecurity rates there are relatively similar for children of immigrants and children of citizens 28 percent of immigrant children versus 22 percent of native children). Texas provides no such benefit, however, and this fact is reflected in its food insecurity rates. Over 49 percent of children of immigrants lack secure access to adequate nutrition in Texas, compared to a third of children of citizens.

While hunger and malnutrition are serious problems for people of all ages, their effects are particularly damaging to children. Hungry and undernourished children are more likely to become anemic and to suffer from allergies, asthma, diarrhea, and infections. They are also more likely to have behavioral problems and difficulty in learning. When children arrive at school hungry, they cannot learn. If we do not address this silent crisis, our considerable investments in education and early learning activities will not have the full positive impact that they should. Clearly more must be done for both the children of citizens and the children of immigrants.

A strong Food Stamp Program is essential to ensure that all people in America can get the food they need to stay healthy. In seven common sense steps, this bill reaches goals shared by Republicans and Democrats alike—promoting self-sufficiency, encouraging transitions from welfare to work, and eradicating hunger among children and seniors.

First, this bill restores eligibility for food stamps to all legal immigrants, a matter of fundamental fairness and basic need. The Kaiser Commission on Medicaid and the Uninsured reports that immigrant families on average pay $80,000 more in taxes than they receive in local, state, and federal benefits over a lifetime. For 30 years prior to welfare reform, food stamps were available to legal immigrants, and as today's Urban Institute report confirms, legal immigrants are now among those most in need of nutritional assistance. Our laws recognize that legal immigrants need access to employment, education, and health care, yet all of these efforts are compromised when legal immigrants are denied access to basic nutrition.

The effort to prevent legal immigrants from accessing food stamps never made sense from a policy perspective, and I am pleased to see considerable bipartisan momentum building to restore eligibility. Our key allied in the effort to restore eligibility include the National Conference of State Legislatures, the U.S. Conference of Mayors, the National Association of Counties, the National Black Caucus of State Legislators, the Hispanic Caucus, leaders of all major religious denominations, and over 1,400 immigration, hunger, and social justice organizations that are active in every state. Over twenty newspapers have published editorials urging restoration of food stamp eligibility to legal immigrants. With such strong and broad public support, I am hopeful that immigrants will not have to wait another year to have their access to basic nutrition restored.

Second, this bill ends the child penalty under current food stamp law. Just as the marriage penalty in our tax code unfairly penalizes some couples, existing law unfairly limits nutritional assistance to some families with children. This bill fixes the problem by indexing the food stamp standard deduction to family size in a way that simply ensures that every family that is in deep poverty, with earnings under 10 percent of the poverty limit, will receive the maximum current food stamp benefit regardless of family size. Over half of the benefit from this provision will go to working families.

Third, this bill addresses a core nutritional concern of senior citizens and other low-income families on fixed incomes, many of whom qualify for the minimum food stamp benefit. The food stamp minimum benefit has remained at $10 since 1977. This bill raises the minimum benefit to $25 over the course of five years, and then indexes it to inflation.

Fourth, this bill ensures that food stamp law treats child support payments like income when calculating benefits, by disregarding 20 percent of these payments in the benefit determinations. This measure is consistent with last year's overwhelming House approval of a plan to encourage states to pass more child support payments through to low-income families. Parents who know that their children will directly benefit if they pay their child support are more likely to remain on the job, pay their child support, and, most importantly, remain involved with their children.

Fifth, this bill gives states more options for helping families make the transition from welfare to work. Current food stamp law allows a 3-month state option for a transitional food stamp benefit. This bill mirrors Medicaid's six-month Medicaid transitional benefit for food stamps, simplifying state recordkeeping, increasing state flexibility, and helping TANF families transition to work.

Sixth, this bill improves access to food stamp information, helping to ensure that families like the Paynes are aware of the help that remains available to them. It helps rural families apply for food stamps using online and telephone systems, eliminating the need to travel to food stamp offices. It also supports stronger public-private partnerships that generate and distribute information about the nation's nutrition assistance program.

Finally, this bill increases federal support for emergency food programs, 71 percent of which are operated by faith based organizations. Sharp increases in requests for help from food pantries and soup kitchens have occurred over the past year despite steep declines in food stamp participation. Many food banks find themselves unable to meet the increased requests for help. Nationally, the U.S. Conference of Mayors and America's Second Harvest have independently documented a 15 to 20 percent increase in needs over 1998. 79 percent of Massachusetts food pantries funded through Project Bread reported serving more working poor in 1998, and 72 percent reported helping more families with children. To ensure that emergency food needs are met without unnecessarily tapping Food Stamp resources, this bill increases funding for The Emergency Food Assistance Program by 10 percent.

The total cost of this bill amounts to about $2.75 billion over five years, which would increase the cost of the Food Stamp Program by about 2 percent. This bill's cost is also modest in relation to the current ten-year non-Social surplus—it uses but 0.2 percent of the projected federal surplus.

We've often heard that hunger has a cure. This is a call to action, not a truism, for the many people who have cooperated in developing this legislation. I'm proud to work with them for its prompt passage.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Nutrition Assistance for Working Families and Seniors Act of 2001''.

SEC. 2. RESTORATION OF FOOD STAMP BENEFITS FOR LEGAL IMMIGRANTS.

(a) LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.—

(1) IN GENERAL.—Section 402(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking ''Federal programs'' and inserting ''Federal program'';

(ii) in subparagraph (D)—

(I) by striking clause (ii); and

(II) in clause (i)—

(aa) by striking ''(i) SSI.—'' and all that follows through ''paragraph (3)(A)'' and inserting the following:

''(i) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)'';

(bb) by redesignating subclauses (II) through (IV) as clauses (ii) through (iv) and indenting appropriately;

(cc) by striking ''subclause (I)'' each place it appears and inserting ''clause (i)''; and

(dd) in clause (iv) (as redesignated by item (bb)), by striking ''this clause'' and inserting ''this subparagraph'';

(iii) in subparagraph (E), by striking ''paragraph (3)(A) (relating to the supplemental security income program)'' and inserting ''paragraph (3)'';

(iv) in subparagraph (F);

(I) by striking ''Federal programs'' and inserting ''Federal program'';

(II) in clause (ii)(I)—

(aa) by striking ''(I) in the case of the specified Federal program described in paragraph (3)(A),''; and

(bb) by striking ''; and'' and inserting a period; and

(III) by striking subclause (II);

(v) in subparagraph (G), by striking ''Federal programs'' and inserting ''Federal program'';

(vi) in subparagraph (H), by striking ''paragraph (3)(A) (relating to the supplemental security income program)'' and inserting ''paragraph (3)''; and

(vii) by striking subparagraphs (I), (J), and (K); and

(B) in paragraph (3)—

(i) by striking ''means any'' and all that follows through ''The supplemental'' and inserting ''means the supplemental''; and

(ii) by striking subparagraph (B).

(2) CONFORMING AMENDMENT.—Section 402(b)(2)(F) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)(F)) is amended by striking ''subsection (a)(3)(A)'' and inserting ''subsection (a)(3)''.

(b) FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.—Section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613) is amended—

(1) in subsection (c)(2), by adding at the end the following:

''(L) Assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).''; and

(2) in subsection (d)—

(A) by striking ''not apply'' and all that follows through ''(1) an individual'' and inserting ''not apply to an individual''; and

(B) by striking ''; or'' and all that follows through ''402(a)(3)(B)''.

(c) AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.—Section 422(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1632(b)) is amended by adding at the end the following:

''(8) Programs comparable to assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).''.

(d) REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.—Section 423(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note; Public Law 104–193) is amended by adding at the end the following:

''(12) Benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), if a sponsor is unable to make the reimbursement because the sponsor experiences hardship (including bankruptcy, disability, and indigence) or if the sponsor experiences severe circumstances beyond the control of the sponsor, as determined by the Secretary of Agriculture.''.

(e) DERIVATIVE ELIGIBILITY FOR BENEFITS.—Section 436 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1646) is repealed.

(f) APPLICATION.—This section and the amendments made by this section shall apply to assistance or benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for months beginning on or after April 1, 2002.

SEC. 3. PREVENTION OF HUNGER AMONG FAMILIES WITH CHILDREN.

(a) STANDARD DEDUCTION.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

''(1) STANDARD DEDUCTION.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States equal to the applicable percentage established under subparagraph (C) of the income standard of eligibility under subsection (c)(1).

''(B) LIMITATIONS.—The standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States under subparagraph (A) shall not be—

''(i) less than $134, $229, $189, $269, and $118, respectively; or

''(ii) more than the applicable percentage specified in subparagraph (C) of the income standard of eligibility established under section (c)(1) for a household of 6 members.

''(C) APPLICABLE PERCENTAGE.—The applicable percentage referred to in subparagraphs (A) and (B) shall be—

''(i) for fiscal year 2002, 8 percent;

''(ii) for fiscal year 2003, 8.5 percent;

''(iii) for fiscal year 2004, 9 percent;

''(iv) for fiscal year 2005, 9.5 percent; and

''(v) for each subsequent fiscal year, 10 percent.''.

(b) APPLICATION DATE.—The amendments made by this section shall apply on the later of—

(1) July 1, 2002; or

(2) at the option of a State agency of a State (as those terms are defined in section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012)), October 1, 2002.

SEC. 4. ENCOURAGEMENT OF COLLECTION OF CHILD SUPPORT.

(a) IN GENERAL.—Section 5(e)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(2)) is amended—

(1) by inserting ''AND CHILD SUPPORT'' after ''INCOME'';

(2) in subparagraph (A) by—

(A) striking ''DEFINITION OF'' and all that follows through ''not include'' and inserting ''LIMITATION ON DEDUCTION.—The deduction in this paragraph shall not apply to'';

(B) striking ''or'' at the end of clause (i);

(C) striking the period at the end of clause (ii) and inserting ''; or''; and

(D) adding at the end the following:

''(iii) child support received to the extent of any reduction in public assistance to the household as a result of receiving such support.''; and

(3) in subparagraph (B), by striking ''to compensate'' and all that follows through the period and inserting ''and child support received from an identified or putative parent of a child in the household if that parent is not a household member.''.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2002.

SEC. 5. MINIMUM FOOD STAMP ALLOTMENT.

Section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking

''shall be $10 per month.'' and inserting ''shall be—

''(1) for each of fiscal years 2002 and 2003, $15 per month;

''(2) for each of fiscal years 2004 and 2005, $20 per month;

''(3) for fiscal year 2006, $25 per month;

''(4) for fiscal year 2007 and each subsequent fiscal year, the minimum allotment under paragraph (3), adjusted on each October 1 to reflect the percentage change in the cost of the thrifty food plan for the 12-month period ending in the preceding June, rounded to the nearest lower dollar increment.''.

SEC. 6. TRANSITIONAL BENEFITS OPTION.

(a) IN GENERAL.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

''(s) TRANSITIONAL BENEFITS OPTION.—

''(1) IN GENERAL.—A State may provide transitional food stamp benefits to a household that is no longer eligible to receive cash assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

''(2) TRANSITIONAL BENEFITS PERIOD.—Under paragraph (1), a household may continue to receive food stamp benefits for a period of not more than 6 months after the date on which cash assistance is terminated.

''(3) AMOUNT.—During the transitional benefits period under paragraph (2), a household shall receive an amount equal to the allotment received in the month immediately preceding the date on which cash assistance is terminated, adjusted for—

''(A) the change in household income as a result of the termination of cash assistance; and

''(B) any changes in circumstances that may result in an increase in the food stamp allotment of the household and that the household elects to report (as verified in accordance with standards established by the Secretary).

''(4) DETERMINATION OF FUTURE ELIGIBILITY.—In the final month of the transitional benefits period under paragraph (2), the State agency may—

''(A) require a household to cooperate in a redetermination of eligibility to receive uninterrupted benefits after the transitional benefits period; and

''(B) renew eligibility for a new certification period for the household without regard to whether the previous certification period has expired.

''(5) LIMITATION.—A household sanctioned under section 6 shall not be eligible for transitional benefits under this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by striking subsection (c) and inserting the following:

''(c) CERTIFICATION PERIOD.—

''(1) IN GENERAL.—'Certification period' means the period for which households shall be eligible to receive benefits under this Act.

''(2) DURATION.—

''(A) IN GENERAL.—A certification period shall not exceed 12 months, except that—

''(i) a certification period may be up to 24 months if all adult household members are elderly or disabled; and

''(ii) a certification period may be extended during the transitional benefits period under section 11(s).

''(B) EXTENSION.—The certification period may be extended to the end of a transitional benefits period established by a State under section 11(s).

''(3) CONTACT.—A State agency shall have at least 1 contact with each certified household—

''(A) at least once every 12 months; or

''(B) in a case in which the household is in a transitional benefits period under section 11(s), within the 6-month period beginning on the date on which cash assistance is terminated.''.

(2) Section 6(c) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)) is amended by striking ''No household'' and inserting ''Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 11(s), no household''.

SEC. 7. FOOD STAMP INFORMATION.

(a) TRAINING MATERIALS; NUTRITION INFORMATION.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) (as amended by section 6) is amended by adding at the end the following:

''(t) RESOURCES FOR STATE AGENCY EMPLOYEES.—The Secretary, in partnership with State agencies, shall develop training materials, guidebooks, and other resources for use by employees of State agencies that focus on issues of access and eligibility under the food stamp program.

''(u) NUTRITION INFORMATION.—The Secretary shall maintain a toll-free information number for individuals to call to obtain information concerning the nutrition programs.''.

(b) INTER-PROGRAM COORDINATION OF APPLICATION AND VERIFICATION PROCESS.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (e) and inserting the following:

''(e) PILOT PROJECTS FOR INTER-PROGRAM COORDINATION OF APPLICATION AND VERIFICATION PROCESS.—

''(1) IN GENERAL.—The Secretary shall provide the Federal shares of funds to States to carry out pilot projects under paragraph (2) to improve the application and verification process for low-income working households to participate in the food stamp program.

''(2) ELIGIBLE PROJECTS.—

''(A) INTER-PROGRAM APPLICATION PROCESS.—

''(i) APPLICATION AT ONE-STOP DELIVERY CENTERS.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to improve inter-program coordination by co-locating employees and automated systems necessary to accept complete initial processing of applications for assistance under this Act at centers in one-stop delivery systems established under section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)).

''(ii) APPLICATION FOR ASSISTANCE UNDER MEDICAID/SCHIP.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to improve inter-program coordination by co-locating employees and automated systems necessary to accept complete initial processing of applications for assistance under this Act at locations where applications are received for assistance under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.).

''(B) INTER-PROGRAM VERIFICATION PROCESS.—

''(i) IN GENERAL.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to reduce administrative burdens on low-income working households by coordinating, to the maximum extent practicable, verification practices under this Act and verification practices under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.).

''(ii) ELIGIBILITY.—To be eligible to conduct a pilot project under clause (i), a State must have an automation system with the capacity to verify through electronic records the most common sources of incomes under this Act and titles XIX and XXI of the Social Security Act.

''(iii) ADMINISTRATION.—The Secretary and the Secretary of Health and Human Services shall adjust procedures under this Act and titles XIX and XXI of the Social Security Act, to the extent each of the Secretaries determines appropriate, to facilitate pilot projects under clause (i).

''(3) PREFERENCES.—In selecting pilot projects under this subsection, the Secretary shall provide a preference to projects that—

''(A) operate in rural areas; or

''(B) benefit low-income households residing in remote rural areas.

''(4) WAIVER.—To reduce travel and paperwork burdens on eligible households, the Secretary may waive requirements under sections 6(c) and 11(e)(3) for pilot projects conducted under this subsection.

''(5) EVALUATION OF PILOT PROJECTS.—Any State conducting a pilot project under this subsection shall provide to the Secretary, in accordance with standards established by the Secretary, an evaluation of the effectiveness of the project.

''(6) FUNDING.—Of funds made available under section 18 for each of fiscal years 2001 and 2002, the Secretary shall use—

''(A) $10,000,000 to pay 75 percent of the additional costs incurred by State agencies to conduct pilot projects under paragraph 2(A); and

''(B) $500,000 to pay 75 percent of the costs of evaluating pilot projects conducted under paragraph 2(B).''.

(c) INNOVATIVE PARTICIPATION STRATEGIES.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end the following:

''(l) INNOVATIVE OUT-OF-OFFICE APPLICATION AND PARTICIPATION STRATEGIES.—

''(1) IN GENERAL.—The Secretary shall conduct demonstration projects to evaluate the feasibility and desirability of allowing eligible households to participate in the food stamp program through the use of the Internet and telephones instead of through in-office visits and interviews.

''(2) PREFERENCES.—The Secretary shall provide a preference under this subsection to projects that—

''(A)(i) are conducted in rural areas; or

''(ii) serve eligible households in remote locations; and

''(B) are collaborative efforts between State agencies and nonprofit community groups.

''(m) GRANTS FOR PARTNERSHIPS AND TECHNOLOGY.—

''(1) IN GENERAL.—The Secretary shall provide grants to State agencies and nonprofit organizations to conduct projects to improve access to the food stamp program through partnerships and innovative technology.

''(2) PRIORITY.—In providing grants under this subsection, the Secretary shall give priority to projects that focus on households with low food stamp participation.

''(n) GRANTS FOR COMMUNITY PARTNERSHIPS AND INNOVATIVE OUTREACH STRATEGIES.—

''(1) ESTABLISHMENT.—The Secretary shall establish a program to award grants to eligible organizations described in paragraph (2)—

''(A) to develop and test innovative strategies to ensure that low-income needy eligible households that contain 1 or more members that are former or current recipients of benefits under a State program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) continue to receive benefits under this Act if the households meet the requirements of this Act;

''(B) to help ensure that households that have applied for benefits under a State program established under part A of title IV of the Social Security Act, but that did not receive the benefits because of State requirements or ineligibility for the benefits, are aware of the availability of, and are provided assistance in receiving, benefits under this

Act if the households meet the requirements of this Act;

''(C) to conduct outreach to households with earned income that is at or above the income eligibility limits for benefits under a State program established under part A of title IV of the Social Security Act if the households meet the requirements of this Act; and

''(D) to conduct outreach to households with children if the households meet the requirements of this Act.

''(2) ELIGIBLE ORGANIZATIONS.—

''(A) IN GENERAL.—Grants under paragraph (1) may be provided to—

''(i) food banks, food rescue organizations, faith-based organizations, and other organizations that supply food to low-income households;

''(ii) schools, school districts, health clinics, non-profit day care centers, Head Start agencies under the Head Start Act (42 U.S.C. 9831 et seq.), Healthy Start agencies under section 301 of the Public Health Service Act (42 U.S.C. 241), and State agencies and local agencies providing assistance under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

''(iii) local agencies that operate child nutrition programs (as those terms are defined in section 25(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769f(b)); and

''(iv) other organizations designated by the Secretary

''(B) GEOGRAPHICAL DISTRIBUTION OF RECIPIENTS.—

''(i) IN GENERAL.— Subject to clause (ii), the Secretary shall select, from all eligible applications, at least 1 recipient to receive a grant under this subsection from—

''(I) each region of the Department of Agriculture; and

''(II) in addition to recipients selected under subclause (I), each rural or urban area determined to be appropriate by the Secretary.

''(ii) EXCEPTION.—The Secretary shall not be required to award grants based on the geographical guidelines under clause (i) to the extent that the Secretary determines that an insufficient number of eligible grant applications has been received.

''(3) CRITERIA.—The Secretary shall develop criteria for awarding grants under paragraph (1) that are based on—

''(A) the demonstrated record of an organization in serving low-income households;

''(B) the ability of an organization to reach hard-to-serve households;

''(C) the level of innovation in the proposals submitted in the application of an organization for a grant; and

''(D) the development of partnerships between the public and private sector entities and the community.

''(4) ADMINISTRATION.—

''(A) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available for the grant program under paragraph (5) shall be used by the Secretary for administrative costs incurred in carrying out this subsection.

''(B) PROGRAM EVALUATIONS.—

''(i) IN GENERAL.—The Secretary shall conduct evaluations of programs funded by grants under this subsection.

''(ii) LIMITATION.—Not more than 20 percent of funds made available for the grant program under paragraph (5) shall be used for program evaluations under clause (i).

''(5) FUNDING.—Of funds made available under section 18 for each of fiscal years 2001 and 2002, the Secretary shall use $10,000,000 to carry out the grant program under this subsection.''.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL COMMODITIES UNDER EMERGENCY FOOD ASSISTANCE PROGRAM.

Section 214 of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7515) is amended by adding at the end the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—In addition to any other funds that are made available to carry out this section, there are authorized to be appropriated to purchase and make available additional commodities under this section $20,000,000 for each of fiscal years 2002 through 2006.

''(2) DIRECT EXPENSES.—Not less than 50 percent of the amount made available under paragraph (1) shall be used to pay direct expenses (as defined in section 204(a)(2)) incurred by emergency feeding organizations to distribute additional commodities to needy persons.''.

By Mrs. CLINTON (for herself, Mr. WELLSTONE, and Mr. DODD):

S. 584. A bill to designate the United States courthouse located at 40 Centre Street in New York, New York, as the ''Thurgood Marshall United States Courthouse''; to the Committee on Environment and Public Works.

Mrs. CLINTON. Mr. President, it is an honor to be here today in order to join my colleague Congressman ELIOT ENGEL and other members of the New York Delegation in introducing a bill that would designate the U.S. Courthouse situated at 40 Centre Street in New York City the Thurgood Marshall United States Courthouse.

The courthouse on 40 Centre Street is the site where Thurgood Marshall served from 1961 to 1965 during his tenure on the U.S. Second Circuit Court of Appeals. For over 30 years of his life, Thurgood Marshall worked in New York, first as chief counsel of the NAACP, and later as a Justice on the Second Circuit Court of Appeals.

President Kennedy nominated Thurgood Marshall to serve on the federal bench in a recess appointment—at the time there was resistance to an African American being named to the federal appeals court. Robert Kennedy was Thurgood Marshall's sponsor, and sat beside him in a show of support throughout his confirmation hearing. The Senate eventually confirmed his nomination.

Later, President Johnson went on to name Justice Marshall Solicitor General of the United States, and then to nominate him as the first African American to serve on the United States Supreme Court. There, he became one of the most influential and respected justices of this past century. In a tribute to Justice Marshall, Chief Justice Rehnquist said:

Inscribed above the front entrance to the Supreme Court building are the words ''Equal Justice Under Law.'' Surely, no one individual did more to make these words a reality than Thurgood Marshall.

It is amazing to think that a little boy who grew up under the iron grip of Jim Crow, a talented student who was denied admission to the University of Maryland's Law School because of his race and went on to graduate at the top of his law class at Howard University, charted a course in the courts that led the way for the Civil Rights Movement to put an end to the segregation that had plagued our country for so long.

Thurgood Marshall will always be our nation's preeminent civil rights lawyer. He won 29 of the 32 cases he argued before the Supreme Court. During his time with the NAACP, he argued one of the hallmark court cases of our time, Brown v. Board of Education, which declared segregation illegal.

For those of us who were alive then, we will forever have etched in our consciousness images of the Little Rock Nine, and the sheer courage of those children who would not be deterred from their efforts to integrate Central High School. As foot soldiers of the first true test of Brown v. Board of Education, the Little Rock Nine will always be American heroes. And so will Thurgood Marshall, whose brilliance and persistence in the courtroom made possible the eventual success of the civil rights movement, as it took root in small towns and large cities all across America.

Thurgood Marshall was a role model to all who knew him in the way that he carried himself and treated his coworkers and friends. He was known for his casualness, and his ability to put people at ease. And he enjoyed life—his son, Thurgood Marshall, Jr., has shared with me the love his father held for New York City and the joy he found there. I had the privilege of attending his memorial service, and saw that 85 of his former law clerks were there. This is a great testament to Thurgood Marshall, and I believe they, and all the good works they do, may be one of his greatest legacies.

New Yorkers will be proud to have a courthouse named after a man who committed himself to attaining equal opportunity for every American. For many years of his life, Thurgood Marshall was denied access to the institutions, restaurants and hotels in New York City and elsewhere. But he always found an open door at the courthouse, and he never gave up on his belief that he could right the nation's wrongs through the courts. There could not be a more fitting tribute than to name a courthouse in New York City, a city at the forefront of so many national and global movements, after Thurgood Marshall, an American hero and visionary whose work embodies the spirit of our country.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF THURGOOD MARSHALL UNITED STATES COURTHOUSE.

The United States courthouse located at 40 Centre Street in New York, New York, shall

be known and designated as the ''Thurgood Marshall United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the Thurgood Marshall United States Courthouse.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I commend my colleagues from New York and our colleagues in the House, Congressman ENGEL, for their introduction of this bill. I compliment my friend from New York for her wonderful remarks about Thurgood Marshall, who has been an inspiration for a generation of us who grew up watching him change the law of this country, making a difference in the lives of millions and millions of people but also for generations to come, who will remember and reflect on his work as an inspiration in their time to redress the wrongs of their age.

It is appropriate, proper, and fitting that this building in New York that houses the Federal judiciary be named for such an inspiring figure of our times.

I commend the Senator from New York for offering this, for her words today, and my compliments to Thurgood Marshall's family. Thurgood Marshall, Jr. has been a great friend to many of us here and has been a wonderful public servant in his own right. He carries on the great tradition his father carried as a judge and Member of the U.S. Supreme Court.

I ask unanimous consent I be allowed to be a cosponsor of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank Senator CLINTON for her words about Thurgood Marshall. I certainly also would like to be a cosponsor of this. I recommend on the floor of the Senate, if it is appropriate, Juan Williams' wonderful biography of Thurgood Marshall that I read about 6 months ago, which was a very inspiring biography because it was about such an inspiring civil rights leader and great judge.

I thank the Senator from New York for her remarks.

By Mr. DODD:

S. 586. A bill to authorize negotiation for the accession of Chile to the North American Free Trade Agreement, to provide for fast track consideration, and for other purposes; to the Committee on Finance.

Mr. DODD. Mr. President, I rise today to reintroduce legislation I authored last year to enable the President to admit Chile into NAFTA. Nearly 6 years ago, a bipartisan majority of this body ratified the North American Free Trade Agreement. Since then the promises of new jobs, increased exports, lower tariffs and a clearer environment have all been realized. In other words, Mr. President, NAFTA has succeeded despite the predictions of some that America could not compete in today's global economy.

As I said last year, with the success of NAFTA as a backdrop, it is now high time to move forward and expand the free trade zone to other countries in our hemisphere. To help accomplish that important goal, my legislation will authorize and enable the President to move forward with negotiations on a free trade agreement with Chile.

President Bush has stated time and again that he wants to increase ties with Latin America and more fully engage our neighbors to the South. Western Hemisphere trade ministers are planning to develop a draft proposal for a Free Trade Area of the Americas at their ministerial meeting in Buenos Aires in April. This draft will then be considered by Western Hemisphere leaders at the third Summit of the Americas in Quebec City at the end of that month. I hope that this summit bears fruit. Indeed, I have been working toward a free trade agreement of the Americas for many years. We should quickly take the first step toward economic integration with our Southern neighbors by including Chile, who has been in negotiations to join NAFTA since early January, in our North American trade agreement.

Chile is surely worthy of membership in NAFTA. In fact, Chile has already signed a free trade agreement with Canada in 1996. And, in addition, Chile has also put in place a free trade agreement with Mexico. After a brief slowdown last year, today the Chilean economy is growing at a healthy annual rate of more than 6 percent. Chile is noted for its concern for preserving the environment, and has put in place environmental protections that are laudable. Chile's fiscal house is in order as evidenced by a balanced budget, strong currency, strong foreign reserves, and continued inflows of foreign capital, including significant direct investment.

In addition, Chile has already embraced the ideals of free trade. Since 1998, the Chilean tariff on goods from countries with which Chile does not yet have a free trade agreement has fallen from 11 percent to 8 percent. That tariff is scheduled to continue to fall by a point a year until it reaches 6 percent in 2003. While some goods are still assessed at a higher rate, the United States does a brisk export business to Chile, sending approximately $3.6 billion in American goods to that South American nation. That represents 24 percent of Chile's imports. That $3.6 billion in exports represents thousands of American jobs across the Nation.

Our firm belief in the importance of democracy continues to drive our foreign policy. After seventeen years of dictatorship, Chile returned to the family of democratic nations following the 1988 plebiscite. Today, the President and the legislature are both popularly elected and the Chilean armed forces effectively carry out their responsibilities as mandated in Chile's Constitution. American investment and trade cay play a critical role in building on Chile's political and economic successes.

It is unrealistic to think that the President will have the ability to negotiate a free trade agreement without fast track authority. Nor should we ask Chilean authorities to conduct negotiations under such circumstances. Therefore, the bill I am introducing today will provide President Bush with a limited fast track authority which will apply only to this specific treaty. I believe that fast track is key to enabling the President to negotiate the most advantageous trade agreements, and should therefore be re-authorized. At this point, however, there are stumbling blocks we must surmount before generic fast track can be re-authorized. Those stumbling blocks should not be allowed to stand in the way of free trade with Chile.

Naysayers claim that free trade prompts American business to move overseas and costs American workers their jobs. They will tell you that America, the Nation with the largest and strongest economy, the best workers, and the greatest track record of innovation cannot compete with other nations.

The past 6½ years since we ratified NAFTA have proven them wrong. Today, tariffs are down and exports are up. The environment in North America is cleaner. Most importantly, NAFTA has created 710,000 new American jobs all across the Nation.

The many successes of NAFTA are an indication of the potential broader free trade agreements hold for our economy. Furthermore, trade and economic relationships foster American influence and support our foreign policy. In other words, this bill represents new American jobs in every state in the nation, a stronger American economy and greater American influence in our own Hemisphere. I urge my colleagues to support this bill.

By Mr. CONRAD (for himself, Mr. THOMAS, Mr. DASCHLE, Mr. JOHNSON, and Mr. ROBERTS):

S. 587. A bill to amend the Public Health Service Act and title XVIII of the Social Security Act to sustain access to vital emergency medical services in rural areas; to the Committee on Finance.

Mr. CONRAD. Mr. President, today I am introducing the Sustaining Access to Vital Emergency Medical Services Act of 2001. This bill would take important steps to strengthen the emergency medical service system in rural communities and across the Nation.

Across America, emergency medical care reduces human suffering and saves lives. According to recent statistics, the average U.S. citizen will require the services of an ambulance at least

twice during his or her life. As my colleagues surely know, delays in receiving care can mean the difference between illness and permanent injury, between life and death. In rural communities, which often lack access to local health care services, the need for reliable EMS is particularly critical.

Over the next few decades, the need for quality emergency medical care in rural areas is projected to increase as the elderly population in these communities continues to rise. Unfortunately, while the need for effective EMS systems may increase, we have seen the number of individuals able to provide these services decline. Nationwide, the majority of emergency medical personnel are unpaid volunteers. As rural economies continue to suffer, and individuals have less and less time to devote to volunteering, it has become increasingly difficult for rural EMS squads to recruit and retain personnel. In my State of North Dakota, this phenomenon has resulted in a sharp reduction in EMS squad size. In 1980, on average there were 35 members per EMS squad; today, the average squad size has plummeted to 12 individuals per unit. I am concerned that continued reductions in EMS squad size could jeopardize rural residents' access to needed medical services.

For this reason, the legislation I am introducing today includes measures to help communities recruit, retain, and train EMS providers. My bill would establish a Rural Emergency Medical Services Training and Equipment Assistance program. This program would authorize $50 million in grant funding for fiscal years 2002–2007, which could be used in rural EMS squads to meet various personnel needs. For example, this funding could help cover the costs of training volunteers in emergency response, injury prevention, and safety awareness; volunteers could also access this funding to help meet the costs of obtaining State emergency medical certification. In addition, EMS squads would be offered the flexibility to use grant funding to acquire new equipment, such as cardiac defibrillators. This is particularly important for rural squads that have difficulty affording state-of-the-art equipment that is needed for stabilizing patients during long travel times between the rural accident site and the nearest medical facility. This grant funding could also be used to provide community education training in CPR, first aid or other emergency medical needs.

In addition, this legislation takes steps to help ensure emergency medical providers are fairly reimbursed for ambulance services provided to Medicare, Medicare+Choice, and Medicaid managed care beneficiaries. As you may know, the Balanced Budget Act required that Medicare+Choice and Medicaid managed care plans provide payment for emergency services that a ''prudent layperson'' would determine are medically needed. However, regulations implementing this requirement did not include ambulance services within the definition of ''emergency services.'' Because of this oversight, ambulance providers are sometimes left in the difficult position of providing services to individuals who, by any rational review, appear to need immediate medical attention. However, when it is later determined that the patient's symptoms were the result of heartburn, for example, rather than a serious heart condition, the ambulance provider is denied payment for services. This is simply unfair.

While it is certainly important that EMS providers take care not to provide unnecessary services, it is unfair to deny ambulance providers payment when they provide immediate emergency services to individuals who appear tin serious need of medical care. In my State, EMS providers are operating on tight budgets and cannot afford to provide high levels of uncompensated care. To ensure EMS services remain available, particularly in underserved rural areas, we must ensure that EMS providers are appropriately reimbursed for the care they provide to our communities. For this reason, my legislation would revise the ''prudent layperson'' definition to include ambulance services. This change will ensure that ambulance providers who provide care in situations where a responsible observer would deem this care medically necessary receive reimbursement under traditional Medicare, Medicare+Choice, and Medicaid managed care.

It is my hope that the Sustaining Access to Vital Emergency Medical Services Act will help ensure EMS providers can continue providing quality medical care to our communities. I am happy to say that this legislation is supported by the National Association of State EMS Directors, the National Rural Health Association, and the American Ambulance Association. I am also pleased that Senators THOMAS, DASCHLE, JOHNSON, and others are joining me in this effort. I urge my colleagues to support this important piece of legislation.

Mr. THOMAS. Mr. President, I am pleased to rise today to introduce ''The Sustaining Access to Vital Emergency Medical Services Act of 2001'' with Senators CONRAD, DASCHLE, ROBERTS and JOHNSON. As with all rural health legislation I have worked on, I am proud of the bipartisan effort behind this bill.

''The Sustaining Access to Vital Emergency Medical Services Act of 2001'' will provide assistance to rural providers to maintain access to important emergency medical services, EMS. This legislation is necessary because rural EMS providers are primarily volunteers who have difficulty recruiting, retaining and educating EMS personnel. Rural EMS providers also have less capital to buy and upgrade essential, life-saving equipment.

The first section of this legislation is the authorization of an annual $50 million competitive grant program. Grantees can use these funds for recruiting volunteers, training emergency personnel, using new technologies to educate providers, acquiring EMS vehicles such as ambulances and acquiring emergency medical equipment. I think it is important to note that all of the above eligible uses of funds were priority concerns of State EMS Directors in a recently conducted Rural EMS Survey with recruitment and retention ranking as number one.

The second part of this legislation applies the prudent layperson standard for emergency services currently used in hospital emergency rooms to ambulance services. This provision will assist ambulance providers in collecting payments for transporting patients to the hospital after answering a 911 call regardless of the final diagnosis. This is a common sense approach and ensures that all aspects of emergency care are operating under the same definition of emergency.

I believe this legislation is an important part of ensuring rural residents have access to emergency services. It is also flexible so communities can decide for themselves what is their most imminent EMS need. Our bill is supported by the National Association of State EMS Directors, the National Rural Health Association and the American Ambulance Association. I strongly urge all my colleagues interested in rural health to consider cosponsoring ''The Sustaining Access to Vital Emergency Medical Services Act of 2001.''

By Mr. JEFFORDS (for himself, Mr. BREAUX, Mr. FRIST, Mrs. LINCOLN, Ms. SNOWE, Mr. CHAFEE, and Mr. CARPER):

S. 590. A bill to amend the Internal Revenue Code of 1986 to allow a refundable tax credit for health insurance costs, and for other purposes; to the Committee on Finance.

Mr. JEFFORDS. Mr. President, today, I am pleased to join with my colleagues in introducing the Relief, Equity, Access, and Coverage for Health, REACH, Act, a bipartisan bill that will provide low and middle income Americans with refundable tax credits for the purchase of health insurance coverage.

New Census Bureau data indicate that there are now 43 million Americans with no health coverage. And, for the third straight year, insurance premiums for employer-sponsored coverage have increased significantly, by as much as 10 to 13 percent. We know from past experience that premium increases cause people to lose their health insurance. By some estimates, as many as 3 million Americans will lose coverage for every 10 percent increase in premiums.

With premiums increasing and the economy uncertain, the problem could worsen. The impact of these numbers is very real for American families. The uninsured often go without needed health care or face unaffordable medical bills. Access to health coverage for

the uninsured must be one of our nation's top priorities.

The REACH tax credit is targeted to those who are most in need of help, Americans who earn too much to qualify for public programs, but nevertheless struggle to pay for health insurance. Without additional resources, health insurance coverage is either beyond their reach or only purchased by giving up other basic necessities of life.

The REACH Act makes a refundable tax credit available to more than 20 million Americans who do not have access to employer-sponsored insurance and who are ineligible for public programs. The amount of the credit for this group is $1,000 for individuals with adjusted gross incomes of up to $35,000 to purchase self-only coverage, and $2,500 for taxpayers with an AGI of up to $55,000 to purchase family coverage.

We also want to help hard working Americans who have access to employer-subsidized insurance, but have difficulty paying for their share of the premiums. Over 7 million Americans decline insurance offered by their employers. To relieve their financial burden, the REACH Act provides a refundable tax credit of $400 for the purchase of self-only coverage and $1,000 for the purchase of family coverage under the employer's group health plan.

Initial estimates indicate this legislation will provide coverage to more than 10 million Americans who are presently uninsured. In addition, it will give needed financial relief to over 60 million low and moderate income working Americans who are using their own scarce dollars to buy health insurance coverage today.

The REACH Act provides a bipartisan, market-based solution to a complex problem. It will bolster the private health insurance market and strengthen employer-sponsored coverage, the cornerstone of our nation's health care system. While this legislation will not solve the entire problem, it is clearly a substantial step in the right direction. I will continue to work with my colleagues to tackle this problem on other fronts, including strengthening the safety net, working to make Medicaid and SCHIP more effective programs, and fighting to provide a prescription drug benefit for Medicare beneficiaries.

I look forward to working with my colleagues on enacting the REACH Act into law this year. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Relief, Equity, Access, and Coverage for Health (REACH) Act''.

SEC. 2. REFUNDABLE HEALTH INSURANCE COSTS CREDIT.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following new section:

''SEC. 35. HEALTH INSURANCE COSTS.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the amount paid by the taxpayer during the taxable year for qualified health insurance for the taxpayer and the taxpayer's spouse and dependents.

''(b) LIMITATIONS.—

''(1) MAXIMUM DOLLAR AMOUNT.—

''(A) IN GENERAL.—The amount allowed as a credit under subsection (a) to the taxpayer for the taxable year shall not exceed the sum of the monthly limitations for coverage months during such taxable year.

''(B) MONTHLY LIMITATION.—The monthly limitation for each coverage month during the taxable year is the amount equal to 1/12 of—

''(i) in the case of self-only coverage, $1,000, and

''(ii) in the case of family coverage, $2,500.

''(C) LIMITATION FOR EMPLOYEES WITH EMPLOYER SUBSIDIZED COVERAGE.—In the case of an individual who is eligible to participate in any subsidized health plan (within the meaning of section 162(l)(2)) maintained by any employer of the taxpayer or of the spouse of the taxpayer for any coverage month, subparagraph (B) shall be applied by substituting '$400' for '$1,000' and '$1,000' for '$2,500' for such month.

''(2) PHASEOUT OF CREDIT.—

''(A) IN GENERAL.—The amount which would (but for this paragraph) be taken into account under subsection (a) shall be reduced (but not below zero) by the amount determined under subparagraph (B).

''(B) AMOUNT OF REDUCTION.—The amount determined under this subparagraph is the amount which bears the same ratio to the amount which would be so taken into account for the taxable year as—

''(i) the excess of—

''(I) the taxpayer's modified adjusted gross income for the preceding taxable year, over

''(II) $35,000 ($55,000 in the case of family coverage), bears to

''(ii) $10,000.

''(C) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income determined—

''(i) without regard to this section and sections 911, 931, and 933, and

''(ii) after application of sections 86, 135, 137, 219, 221, and 469.

''(3) COORDINATION WITH DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—In the case of a taxpayer who is eligible to deduct any amount under section 162(l) for the taxable year, this section shall apply only if the taxpayer elects not to claim any amount as a deduction under such section for such year.

''(4) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2002, each of the dollar amounts referred to in paragraphs (1)(B), (1)(C), and (2)(B) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting '2001' for '1992'.

''(B) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

''(c) COVERAGE MONTH DEFINED.—For purposes of this section—

''(1) IN GENERAL.—The term 'coverage month' means, with respect to an individual, any month if—

''(A) as of the first day of such month such individual is covered by qualified health insurance, and

''(B) the premium for coverage under such insurance, or any portion of the premium, for such month is paid by the taxpayer.

''(2) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS ELIGIBLE FOR COVERAGE UNDER CERTAIN HEALTH PROGRAMS.—Such term shall not include any month during a taxable year with respect to an individual if, as of the first day of such month, such individual is eligible—

''(A) for any benefits under title XVIII of the Social Security Act,

''(B) to participate in the program under title XIX or XXI of such Act.

''(C) for benefits under chapter 17 of title 38, United States Code,

''(D) for benefits under chapter 55 of title 10, United States Code,

''(E) to participate in the program under chapter 89 of title 5, United States Code, or any similar program for State or local government employees, or

''(F) for benefits under any medical care program under the Indian Health Care Improvement Act or any other provision of law.

''(3) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS IMPRISONED.—Such term shall not include any month with respect to an individual if, as of the first day of such month, such individual is imprisoned under Federal, State, or local authority.

''(d) QUALIFIED HEALTH INSURANCE.—For purposes of this section, the term 'qualified health insurance' means health insurance coverage (as defined in section 9832(b)(1)), including coverage under a COBRA continuation provision (as defined in section 9832(d)(1)).

''(e) MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS.—

''(1) IN GENERAL.—If a deduction would (but for paragraph (2)) be allowed under section 220 to the taxpayer for a payment for the taxable year to the medical savings account of an individual, subsection (a) shall be applied by treating such payment as a payment for qualified health insurance for such individual.

''(2) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under section 220 for that portion of the payments otherwise allowable as a deduction under section 220 for the taxable year which is equal to the amount of credit allowed for such taxable year by reason of this subsection.

''(f) SPECIAL RULES.—

''(1) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount which would (but for this paragraph) be taken into account by the taxpayer under section 213 for the taxable year shall be reduced by the credit (if any) allowed by this section to the taxpayer for such year.

''(2) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

''(3) COORDINATION WITH ADVANCE PAYMENT.—Rules similar to the rules of section 32(g) shall apply to any credit to which this section applies.

''(g) EXPENSES MUST BE SUBSTANTIATED.—A payment for insurance to which subsection (a) applies may be taken into account under this section only if the taxpayer substantiates such payment in such form as the Secretary may prescribe.

''(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section, including regulations under which—

''(1) an awareness campaign is established to educate the public, employers, insurance issuers, and agents or others who market health insurance about the requirements and procedures under this section, including—

''(A) criteria for insurance products and group health coverage which constitute qualified health insurance under this section,

''(B) procedures by which employers who do not offer health insurance coverage to their employees may assist such employees in securing qualified health insurance, and

''(C) guidelines for marketing schemes and practices which are appropriate and acceptable in connection with the credit under this section, and

''(2) periodic reviews or audits of health insurance policies and group health plans (and related promotional marketing materials) which are marketed to eligible taxpayers under this section are conducted for the purpose of determining—

''(A) whether such policies and plans constitute qualified health insurance under this section, and

''(B) whether offenses described in section 7276 occur.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of such Code (relating to information concerning transactions with other persons) is amended by inserting after section 6050S the following new section:

''SEC. 6050T. RETURNS RELATING TO PAYMENTS FOR QUALIFIED HEALTH INSURANCE.

''(a) IN GENERAL.—Any person who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under creditable health insurance, shall make the return described in subsection (b) (at such time as the Secretary may by regulations prescribe) with respect to each individual from whom such payments were received.

''(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

''(1) is in such form as the Secretary may prescribe, and

''(2) contains—

''(A) the name, address, and TIN of the individual from whom payments described in subsection (a) were received,

''(B) the name, address, and TIN of each individual who was provided by such person with coverage under creditable health insurance by reason of such payments and the period of such coverage,

''(C) the aggregate amount of payments described in subsection (a),

''(D) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in subparagraph (A), and

''(E) such other information as the Secretary may reasonably prescribe.

''(c) CREDITABLE HEALTH INSURANCE.—For purposes of this section, the term 'creditable health insurance' means qualified health insurance (as defined in section 35(d)) other than, to the extent provided in regulations prescribed by the Secretary, any insurance covering an individual if no credit is allowable under section 35 with respect to such coverage.

''(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required under subsection (b)(2)(A) to be set forth in such return a written statement showing—

''(1) the name and address of the person required to make such return and the phone number of the information contact for such person,

''(2) the aggregate amount of payments described in subsection (a) received by the person required to make such return from the individual to whom the statement is required to be furnished,

''(3) the information required under subsection (b)(2)(B) with respect to such payments, and

''(4) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in paragraph (2).

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) is required to be made.

''(e) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of any amount received by any person on behalf of another person, only the person first receiving such amount shall be required to make the return under subsection (a).''.

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) of such Code (relating to definitions) is amended by redesignating clauses (xi) through (xvii) as clauses (xii) through (xviii), respectively, and by inserting after clause (x) the following new clause:

''(xi) section 6050T (relating to returns relating to payments for qualified health insurance),''.

(B) Paragraph (2) of section 6724(d) of such Code is amended by striking ''or'' at the end of the next to last subparagraph, by striking the period at the end of the last subparagraph and inserting '', or'', and by adding at the end the following new subparagraph:

''(BB) section 6050T(d) (relating to returns relating to payments for qualified health insurance).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6050S the following new item:

''Sec. 6050T. Returns relating to payments for qualified health insurance.''.

(c) CRIMINAL PENALTY FOR FRAUD.—Subchapter B of chapter 75 of such Code (relating to other offenses) is amended by adding at the end the following new section:

''SEC. 7276. PENALTIES FOR OFFENSES RELATING TO HEALTH INSURANCE TAX CREDIT.

''Any person who knowingly misuses Department of the Treasury names, symbols, titles, or initials to convey the false impression of association with, or approval or endorsement by, the Department of the Treasury of any insurance products or group health coverage in connection with the credit for health insurance costs under section 35 shall on conviction thereof be fined not more than $10,000, or imprisoned not more than 1 year, or both.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 162(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) ELECTION TO HAVE SUBSECTION APPLY.—No deduction shall be allowed under paragraph (1) for a taxable year unless the taxpayer elects to have this subsection apply for such year.''.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period '', or from section 35 of such Code''.

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the last item and inserting the following new items:

''Sec. 35. Health insurance costs.

''Sec. 36. Overpayments of tax.''.

(4) The table of sections for subchapter B of chapter 75 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 7276. Penalties for offenses relating to health insurance tax credit.''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) PENALTIES.—The amendments made by subsections (c) and (d)(4) shall take effect on the date of the enactment of this Act.

SEC. 3. ADVANCE PAYMENT OF CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. ADVANCE PAYMENT OF HEALTH INSURANCE CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

''(a) GENERAL RULE.—In the case of an eligible individual, the Secretary shall make payments to the health insurance issuer of such individual's qualified health insurance equal to such individual's qualified health insurance credit advance amount with respect to such issuer.

''(b) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means any individual—

''(1) who purchases qualified health insurance (as defined in section 35(c)), and

''(2) for whom a qualified health insurance credit eligibility certificate is in effect.

''(c) HEALTH INSURANCE ISSUER.—For purposes of this section, the term 'health insurance issuer' has the meaning given such term by section 9832(b)(2) (determined without regard to the last sentence thereof).

''(d) QUALIFIED HEALTH INSURANCE CREDIT ELIGIBILITY CERTIFICATE.—For purposes of this section, a qualified health insurance credit eligibility certificate is a statement furnished by an individual to a qualified health insurance issuer which—

''(1) certifies that the individual will be eligible to receive the credit provided by section 35 for the taxable year,

''(2) estimates the amount of such credit for such taxable year, and

''(3) provides such other information as the Secretary may require for purposes of this section.

''(e) QUALIFIED HEALTH INSURANCE CREDIT ADVANCE AMOUNT.—For purposes of this section, the term 'qualified health insurance credit advance amount' means, with respect to any qualified health insurance issuer of qualified health insurance, an estimate of the amount of credit allowable under section 35 to the individual for the taxable year which is attributable to the insurance provided to the individual by such issuer.

''(f) REQUIRED DOCUMENTATION FOR RECEIPT OF PAYMENTS OF ADVANCE AMOUNT.—No payment of a qualified health insurance credit advance amount with respect to any eligible individual may be made under subsection (a) unless the health insurance issuer provides to the Secretary—

''(1) the qualified health insurance credit eligibility certificate of such individual, and

''(2) the return relating to such individual under section 6050T.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

''Sec. 7527. Advance payment of health insurance credit for purchasers of qualified health insurance.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 4. COMBINATION OF COST OF SCHIP COVERAGE FOR A TARGETED LOW-INCOME CHILD WITH REFUNDABLE HEALTH INSURANCE COSTS CREDIT TO PURCHASE FAMILY COVERAGE.

(a) IN GENERAL.—Section 2105(c)(3) of the Social Security Act (42 U.S.C. 1397ee(c)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting such clauses appropriately;

(2) by striking ''Payment'' and inserting the following:

''(A) IN GENERAL.—Payment''; and

(3) by adding at the end the following new subparagraph:

''(B) COMBINATION OF COST OF PROVIDING CHILD HEALTH ASSISTANCE WITH REFUNDABLE HEALTH INSURANCE COSTS TAX CREDIT.—

''(i) IN GENERAL.—In the case of a targeted low-income child who is eligible for child health assistance and whose parent is eligible for the refundable health insurance costs tax credit provided under section 35 of the Internal Revenue Code of 1986, payment may be made to a State under subsection (a)(1) for payment by the State to a health insurance issuer that receives advance payment of such credit on behalf of the parent under section 7527 of the Internal Revenue Code of 1986, of an amount equal to the estimated cost of providing the child with child health assistance for a calendar year, but only if—

''(I) the health insurance issuer uses the State payment made under this subparagraph and the advance credit payment to provide family coverage for the parent and the targeted low-income child; and

''(II) the State establishes to the satisfaction of the Secretary that the conditions set forth in clauses (i) and (ii) of subparagraph (A) are met.

''(ii) DEFINITION OF HEALTH INSURANCE ISSUER.—In this subparagraph, the term 'health insurance issuer' has the meaning given such term in section 9832(b)(2) of the Internal Revenue Code of 1986 (determined without regard to the last sentence thereof).''.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on January 1, 2002.

Mr. FRIST. Mr. President, I am pleased to join Senator JEFFORDS and my colleagues today in a bipartisan effort to address the growing number of individuals and families without health insurance coverage in this country.

The problem has been made clear. Despite last year's decline in America's uninsured population, there are still more than 43 million americans—one-sixth of our Nation's population, who do not have health insurance. We know that the majority of the uninsured, 32 of the 44 million, earn an annual income of under $50,000. We also know that the rising cost of health insurance is the single most important reason given for the lack of purchasing coverage. Many Americans simply cannot afford to buy health insurance.

The solutions are becoming clearer as well. A one-size-fits-all approach to expand health coverage and access to health care does not meet the various needs of the uninsured population. However, because our workforce is growing and evolving out of the older traditional models, we must look to common features of the uninsured population. Although more than 80 percent of the uninsured individuals come from families with at least one employed member, the majority of uninsured Americans do not have access to employer-sponsored health coverage. An additional seven million Americans have access to employer-provided health insurance but are, in many cases, unable to afford it. Therefore, my colleagues and I today are introducing the Relief, Equity, Access, and Coverage for Health, REACH, Act to build upon the current system of employer-based coverage which continues to be the main source of coverage for most Americans.

Our goal is to fill the coverage gaps that exist in the current system while also complementing and expanding the reach of the employment-based system. The central tenet of our proposal is a refundable tax credit for low-income Americans who are not offered a contribution for their insurance through their employer and do not receive coverage through Federal programs such as Medicaid or Medicare. For example, our proposal will help hard working Americans who cannot afford to buy coverage on their own, such as the part-time worker who is not offered employer-sponsored health insurance. We provide that worker with a $1,000 tax credit to purchase coverage. We help a young family with two children earning less than $50,000 a year by providing them with a $2,500 credit to purchase a health insurance policy for themselves and their children. In addition, the REACH Act also is designed to assist those Americans who do have access to employer-subsidized health insurance but, too often, decline it because they cannot afford the cost-sharing components. We provide these individuals and families with up to $400 annually for single coverage or $1,000 for themselves and their families. Overall it is estimated that these provisions would expand new health insurance to as many as 17 million previously uninsured Americans.

I appreciate the work my colleagues have done on this bill, and I look forward to seeing the REACH Act passed into law this year.

By Mr. SANTORUM (for himself, Mr. LIEBERMAN, Mr. HUTCHINSON, Mr. DURBIN, Mr. BROWNBACK, Ms. LANDRIEU, Mr. LUGAR, Mr. BAYH, and Mr. DEWINE):

S. 592. A bill to amend the Internal Revenue Code of 1986 to create Individual Development Accounts, and for other purposes; to the Committee on Finance.

Mr. SANTORUM. Mr. President, today, I am introducing with Senator JOE LIEBERMAN ''the Savings Opportunity and Charitable Giving Act of 2001.'' Other bipartisan cosponsors include Senators HUTCHINSON, DURBIN, BROWNBACK, LANDRIEU, LUGAR, and BAYH. Within a month of the White House's formation of the Office of Faith-Based and Community Initiatives, we are moving the process forward in Congress by the bipartisan introduction of the key tax relief provisions of the President's Faith-Based Initiatives including Individual Development Accounts, IDAs, which President Bush endorsed in his campaign as part of the New Prosperity Initiative. Representatives J.C. WATTS, Jr. and TONY HALL will be introducing a similar measure in the House of Representatives within the coming weeks. Beneficiary Choice expansion and other provisions will be pursued in a thoughtful manner but on a separate track from the tax provisions in the Senate.

Success in today's new economy is defined less and less by how much you earn and more and more by how much you own, your asset base. This is great news for the millions of middle-class homeowners who are tapped into America's economic success, but it is bad news for those who are simply tapped out, those with no assets and little hope of accumulating the means for upward mobility and real financial security. This widening asset gap was underscored in a report issued earlier this year by the Federal Reserve. The Fed found that while the net worth of the typical family has risen substantially in recent years, it has actually dropped substantially for low-income families.

For families with annual incomes of less than $10,000, the median net worth dipped from $4,800 in 1995 to $3,600 in 1998. For families with incomes between $10,000 and $25,000, the median net worth fell from $31,000 to $24,800 over the same period. The rate of home ownership among low-income families has dropped as well. For families making less than $10,000, it went from 36.1 percent to 34.5 percent from 1995 to 1998; for those making between $10,000 and $25,000, it fell from 54.9 percent to 51.7 percent.

How do we reverse this troubling trend? IDAs are the unfinished business of the Community Renewal and New Markets Empowerment initiatives which became law in December of 2000 and will increase job opportunities and renew hope in what have been hopeless places. But to sustain this hope, we must provide opportunities for individuals and families to build tangible assets and acquire stable wealth.

Our legislation is aimed at fixing our nation's growing gap in asset ownership, which keeps millions of low-income workers from achieving the American dream. Most public attention focuses on our growing income gap.

Though the booming American economy has delivered significant income gains to the nation's upper-income earners, lower-income workers have been left on the sidelines. This suggests to some that closing this divide between the have-mosts and the have-leasts is simply a matter of raising wages. But the reality is that the income gap is a symptom of a larger, more complicated problem.

How do we do this? We believe that the marketplace can provide such opportunity. Non-profit groups around the country have launched innovative private programs that are achieving great success in transforming the ''unbanked,'' people who have never had a bank account, into unabashed capitalists. Through IDAs, banks and credit unions offer special savings accounts to low-income Americans and match their deposits dollar-for-dollar. In return, participants take an economic literacy course and commit to using their savings to buy a home, upgrade their education or to start a business.

Thousands of people are actively saving today through IDA programs in about 250 neighborhoods nationwide. In one demonstration project undertaken by the Corporation for Enterprise Development, CFED, a leading IDA promoter, 1,300 families have already saved $329,000, which has leveraged an additional $742,000.

While the growth of IDAs has been encouraging, access to IDA programs is still limited and scattered across the nation. The IDA provision of this legislation will expand IDA access nationwide by providing a significant tax credit to financial institutions and community groups that offer IDA accounts. This credit would reimburse banks for the first $500 of matching funds they contribute, thus significantly lowering the cost of offering IDAs. Other state and private funds can also be used to provide an additional match to savings. It also benefits our economy, the long-term stability of which is threatened by our pitiful national savings rate. In fact, according to some estimates, every $1 invested in an IDA returns $5 to the national economy.

IDAs are matched savings accounts for working Americans restricted to three uses: 1. buying a first home; 2. receiving post-secondary education or training; or 3. starting or expanding a small business. Individual and matching deposits are not co-mingled; all matching dollars are kept in a separate, parallel account. When the account holder has accumulated enough savings and matching funds to purchase the asset, typically over two to four years, and has completed a financial education course, payments from the IDA will be made directly to the asset provider.

Financial institutions, or their contractual affiliates, would be reimbursed for all matching funds provided plus a limited amount of the program and administrative costs incurred, whether directly or through collaborations with other entities. Specifically, the IDA Tax Credit would be the aggregate amount of all dollar-for-dollar matches provided, up to $500 per person per year, plus a one-time $100 per account credit for financial education, recruiting, marketing, administration, withdrawals, etc., plus an annual $30 per account credit for the administrative cost of maintaining the account. To be eligible for the match, adjusted gross income may not exceed $20,000, single, $25,000, head of household, or $40,000, married.

President Bush has expressed support for IDAs in his campaign and we are working with the Administration to coordinate efforts to the fullest extent possible. Supporting groups include the Credit Union National Association, the Financial Services Roundtable, the Corporation for Enterprise Development, the National Association of Homebuilders, the National Center for Neighborhood Enterprise, the National Federation of Community Development Credit Unions, the National Council for La Raza, and others.

Individual Development Accounts, combined with other community development and wealth creation opportunities, are a first step towards restoring faith in the longstanding American promise of equal opportunity. That faith has been shaken by stark divisions of income and wealth in our society. With the leadership of President Bush and Speaker Hastert, I am hopeful, along with our other cosponsors, that Congress will take this first step toward restoring the long-cherished American ideals of rewarding hard work, encouraging responsibility, and expanding savings opportunity this year.

The Non-Itemizer Charitable Deduction provision will initially allow non-itemizers to deduct 50 percent of their charitable giving, after they exceed a cumulative total of $500 in annual donations, $1,000 for joint filers. The deduction will be phased into a 100 percent deduction over the course of 5 years in 10 percent increments. Under current law non-itemizers receive no additional tax benefit for their charitable contributions.

More than 84 million Americans cannot deduct any of their charitable contributions because they do not itemize their tax returns. In contrast, there are 34 million Americans who itemize and receive this benefit. For example, in Pennsylvania, there are nearly 4 million taxpayers who do not itemize deductions while slightly more than 1.5 million taxpayers do itemize.

While Americans are already giving generously to charities making a significant positive impact in our communities, this provision provides an incentive for additional giving and allows non-itemizers who typically have middle to lower middle incomes to also benefit from additional tax relief. In fact, non-itemizers earning less than $30,000 give the highest percentage of their household income to charity. It is estimated that restoring this tax relief provision to merely 50 percent which existed in the 1980's would encourage more than $3 billion of additional charitable giving a year. The phased in increase to 100 percent will result in even more additional giving. The floor is included because the standard personal deduction encompasses initial contributions.

One important dimension of promoting charitable efforts helping to revitalize our communities, empower individuals and families, and enhance educational opportunities is encouraging charitable giving. This legislation is a great opportunity to lower the tax burden on the many Americans who have not received any tax relief for their charitable contributions since 1986.

The IRA Charitable Rollover allows individuals to roll assets from an IRA into a charity or a deferred charitable gift plan without incurring any income tax consequences. The donation would be made to charity directly without ever withdrawing it as income and paying taxes on it.

The rollover can be made as an outright gift, for a charitable remainder annuity trust, charitable remainder unitrust or pooled income fund, or for the issuance of a charitable annuity. The donor would not receive a charitable deduction. This incentive should assist charitable giving in education, social service, and religious charitable efforts.

Food banks are finding it increasingly difficult to meet the demand for food assistance. In the past, food banks have benefitted from the inefficiencies of manufacturing, including the overproduction of merchandise and the manufacturing of cosmetically-flawed products. However, technology has made businesses and manufacturers significantly more efficient. Although beneficial to the company's bottomline, donations have lessened as a result. The fact is that the demand on our nation's church pantries, soup kitchens and shelter continues to rise, despite our economy.

According to an August 2000 report on Hunger Security by the U.S. Department of Agriculture, 31 million Americans, around 10 percent of our citizens, are living on the edge of hunger. Although this number has declined by 12 percent since 1995, everyone agrees that this figure remains too high.

Unfortunately, many food banks cannot meet this increased demand for food. A December '99 study by the U.S. Conference of Mayors found that requests for emergency food assistance increased by an average of 18 percent in American cities over the previous year and 21 percent of emergency food requests could not be met. Statistics by the United States Department of Agriculture show that up to 96 billion pounds of food goes to waste each year

in the United States. If a small percentage of this wasted food could be redirected to food banks, we could make important strides in our fight against hunger. In many ways, current law is a hindrance to food donations.

The tax code provides corporations with a special deduction for donations to food banks, but it excludes farmers, ranchers and restaurant owners from donating food under the same tax incentive. For many of these businesses, it is actually more cost effective to throw away food than donate it to charity. The hunger relief community believes that these changes will markedly increase food donations-whether it is a farmer donating his crop, a restaurant owner contributing excess meals, or a food manufacturer producing specifically for charity.

This bipartisan legislation was introduced separately by Senators Lugar and Leahy with 13 additional cosponsors including myself. It has been endorsed by a diverse set of organizations, including America's Second Harvest Food Banks, the Salvation Army, the American Farm Bureau Federation, the National Farmers Union, the National Restaurant Association, and the Grocery Manufacturers of America.

Under current law, when a corporation donates food to a food bank, it is eligible to receive a ''special rule'' tax deduction. Unfortunately, most companies have found that the ''special rule″ deduction does not allow them to recoup their actual production costs. Moreover, current law limits the ''special rule'' deduction only to corporations, thus prohibiting farmers, ranchers, small businesses and restaurant owners from receiving the same tax benefits afforded to corporations.

This provision would encourage additional food donations through three changes to our tax laws: This bill will extend the ''special rule'' tax deduction for food donations now afforded only to corporations to all business taxpayers, including farmers and restaurant owners. This legislation will increase the tax deduction for donated food from basis plus ° markup to the fair market value of the product, not to exceed twice the product's basis. This bill will codify the Tax Court ruling in Lucky Stores, Inc. v. IRS, in which the Court found that taxpayers should base the determination of fair market value of donated product on recent sales.

I would like to thank my colleagues for joining me in this important effort to increase savings opportunities for lower income working Americans, to encourage the charitable giving of all Americans, to provide additional resources for the charitable organizations which serve their communities, and to encourage additional donations of food to alleviate hunger. I would also encourage my other colleagues to consider supporting this important initiative.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 61—EXPRESSING THE SENSE OF THE SENATE THAT THE SECRETARY OF VETERANS AFFAIRS SHOULD RECOGNIZE BOARD CERTIFICATIONS FROM THE AMERICAN ASSOCIATION OF PHYSICIAN SPECIALISTS, INC., FOR PURPOSES OF THE PAYMENT OF SPECIAL PAY BY THE VETERANS HEALTH ADMINISTRATION

Mr. HUTCHINSON submitted the following resolution; which was referred to the Committee on Veterans' Affairs:

S. RES. 61

Whereas the United States has, in the course of its history, fought in many wars and conflicts to defend freedom and protect the interests of the Nation;

Whereas millions of men and women have served the Nation in times of need as members of the Armed Forces;

Whereas the service of veterans has been of vital importance to the Nation and the sacrifices made by veterans and their families should not be forgotten with the passage of time;

Whereas the obligation of the Nation to provide the best health care benefits to veterans and their families takes precedence over all else;

Whereas veterans deserve comprehensive and high-quality health care services;

Whereas the Secretary of Veterans Affairs only recognizes board certifications of allopathic physicians from specialty boards that are members of the American Board of Medical Specialties and board certifications of osteopathic physicians from specialty boards recognized by the Bureau of Osteopathic Specialists;

Whereas physicians not certified by the American Board of Medical Specialties or the Bureau of Osteopathic Specialists are not eligible for special pay for board certification;

Whereas there are other nationally recognized organizations that certify physicians for practice in areas of specialty;

Whereas the failure of the Secretary of Veterans Affairs to recognize board certifications from other nationally recognized organizations may limit the pool of qualified physicians from which the Department of Veterans Affairs can hire; and

Whereas not recognizing board certifications of other nationally recognized organizations, such as the American Association of Physician Specialists, Inc., may limit the ability of veterans to receive the highest quality health care: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Veterans Affairs should, for the purposes of the payment of special pay by the Veterans Health Administration, recognize board certifications from the American Association of Physician Specialists, Inc., to the same extent as the Secretary of Veterans Affairs recognizes board certifications from the American Board of Medical Specialties and the Bureau of Osteopathic Specialists.

Mr. HUTCHINSON. Mr. President, I rise today to offer a resolution concerning our nation's veterans' population and the quality of health care that they receive.

As a member of this Senate Veterans' Affairs Committee, the chairman of the Personnel Subcommittee on the Senate Armed Services Committee, as well as the former chairman of the Health and Hospitals Subcommittee on the House Veterans' Affairs Committee, I am very concerned that today's veterans' community receive the best possible health care coverage that we can provide.

Recently, it was brought to my attention that the Department of Veterans Affairs only recognizes two organizations for physician certification credentials. However, there are other organizations that have pressed the VA to consider their credentials and have been met with a closed door.

While it is my understanding that very recently the Department has rescinded this decision due to the VA General Counsel ruling it to be illegal, the VA still does not recognize other board certifications in the matter of specialty pay.

Within the last few weeks, Congressman JOE SCARBOROUGH, my good friend and former colleague, has introduced legislation on behalf of one of these excluded organizations, the American Association of Physician Specialists. His resolution addresses the issue of board certification recognitions by the new Secretary of the VA to include this organization in the list of organizations that are recognized for certification and special pay.

Today, I am pleased to offer the Senate counter-part to Congressman SCARBOROUOGH's legislation in the hopes that this vehicle may rectify a policy and system that seems faulty.

SENATE CONCURRENT RESOLUTION 27—EXPRESSING THE SENSE OF CONGRESS THAT THE 2008 OLYMPIC GAMES SHOULD NOT BE HELD IN BEIJING UNLESS THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA RELEASES ALL POLITICAL PRISONERS, RATIFIES THE INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS, AND OBSERVES INTERNATIONALLY RECOGNIZED HUMAN RIGHTS

Mr. HELMS (for himself, Mr. WELLSTONE, Mr. HUTCHINSON, and Mr. SMITH of New Hampshire) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 27

Whereas the International Olympic Committee is in the process of determining the venue of the Olympic Games in the year 2008 and is scheduled to make that decision at the International Olympic Committee meeting scheduled for Moscow in July 2001;

Whereas the city of Beijing has made a proposal to the International Olympic Committee that the summer Olympic Games in the year 2008 be held in Beijing;

Whereas the Olympic Charter states that Olympism and the Olympic ideal seek to foster ''respect for universal fundamental ethical principles'';

Whereas the United Nations General Assembly Resolution 48/11 (October 25, 1993) recognized ''that the Olympic goal of the Olympic Movement is to build a peaceful and